

1 SUPERIOR COURT OF NEW JERSEY
2 CHANCERY DIVISION - CIVIL PART
3 OCEAN COUNTY, DOCKET NO. C-14-09

4 MOSHE MEISELS, CHANIE) TRANSCRIPT
5 MEISELS, RIGHT MATCH,) OF
6 LTD., MONROE ESTATES,) PROOF HEARING
7 LTD., CITY POINT)
8 PROPERTIES, LTD., GILDA)
9 ESTATES, LTD., SIMON TOV)
10 PROPERTIES, LTD., and)
11 PREMIER ESTATES NY, INC.)
12)
13 Plaintiffs,)
14)
15 vs.)
16)
17 ELI WEINSTEIN, SIMCHA)
18 SHAIN, SANDRA BROWN, PINE)
19 PROJECTS, LLC, PINE)
20 PROJECTS MANAGEMENT, LLC,)
21 BENJAMIN HAGER, ESQ.,)
22 MALLOW, KONSTAM & HAGER,)
23 P.C., HDW 2005, LLC,)
24 VLADIMIR SIFOROV, SIF)
25 TRANSPORTATION, INC.,)
26 YOSEF KROHN, MEIR TAUZER,)
27 MICHAEL I. BERNSTEIN,)
28 ESQ., MICHAEL I.)
29 BERNSTEIN, P.A., ISRAEL)
30 POLLAK a/k/a YISROEL)
31 POLLAK, ALAN POLLAK a/k/a)
32 YEHUDA POLLAK, GOLDSTEIN)
33 CHARITY FUND, INC., NEW)
34 HEMPSTEAD TERRACE, LLC,)
35 JOHN DOES (1-10) and JOHN)
36 DOES (11-20),)
37)
38 Defendants.)

39 PLACE: Ocean County Courthouse
40 120 Hooper Avenue
41 Toms River, New Jersey 08753

42 DATE: June 19, 2009

43 Exhibit B
44

Exhibit B Transcript of Proof Hearing Page 2 of 13

4

1 BEFORE:
 2 HON. FRANK A. BUCZYNSKI, JR., P.J. Ch.
 3 TRANSCRIPT ORDERED BY:
 4 JOSEPH NEAPOLITAN (Greenberg, Dauber, Epstein & Tucker,
 Esqs.)

5 APPEARANCES:

6 SOLOMON RUBIN, ESQ. (Law Offices of Jan Meyer &
 7 Associates, P.C.)
 Attorney for the Plaintiffs

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 9
 10
 11 Transcriber:
 12 Colleen M. Vaughn, C.C.T.
 13 SHORE REPORTING SERVICE, P.C.
 29 Tobago Avenue
 14 Toms River, NJ 08753
 15 Recording Operator:
 Carolyn Tweed

1 MR. RUBIN: Solomon Rubin of the Law Office of
 2 Jan Meyer, for the Plaintiff.
 3 THE COURT: All right, Mr. Rubin, are you ready
 4 to proceed with a hearing, this hearing against the
 5 defaulting defendants?

6 MR. RUBIN: Yes.

7 THE COURT: All right. I'm going to take the
 8 testimony, but do you have any affidavits of service or
 9 proof of service with you today? If not, or affidavit of
 10 non-military service? If any of that, submit that at a
 11 later date after you finish your testimony today.

12 MR. RUBIN: I have with me the non-military
 13 service, which I previously submitted.

14 THE COURT: All right.

15 MR. RUBIN: That too.

16 THE COURT: That's fine. We still have that
 17 with the Court. And then you did serve, you did mail those
 18 to your adversary?

19 MR. RUBIN: Yes. I, unfortunately, don't have
 20 proof of service of that.

21 THE COURT: Well, you will submit that by
 22 follow-up affidavit. In the meanwhile, I'll take your,
 23 I'll take the witness' testimony. Okay?

24 MR. RUBIN: Okay.

25 THE COURT: Is there anybody here to be heard on

1 INDEX

2 WITNESS FOR PLAINTIFF

3 NAME DIRECT

4 MOSHE MEISELS 6

5
 6
 7 COURT'S RULING 26

8
 9

10 EXHIBITS

11 P-1 Sales Agreement

Ident. 7

Evid.

12 P-2 Copy of check

8

13 P-3 Certification of Michael

14 Bernstein, Esq.

9

15 P-4 Agreement

10

16 P-5 Agreement

11

17 P-6 Deed

12

18 P-7 Agreement

13

19 P-8 Agreement

14

20 P-9 Operating Agreement

15

21 P-10 Wire Exchange

16

22

23

24

25

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5

1 behalf of the absentee defendants?

2 MR. RUBIN: No, Judge.

3 THE COURT: All right. Okay. Very well. You
 4 may come forward, please. If you would affirm. You don't
 5 have to place your hand on the Bible. Do you affirm to
 6 tell the truth before this Court?

7 MOSHES MEISELS, PLAINTIFF'S WITNESS,
 8 AFFIRMED.

9 THE WITNESS: Yes, your Honor.

10 THE COURT: Your name, sir?

11 THE WITNESS: Moshes Meisels.

12 THE COURT: Please have a seat. Would you spell
 13 your last name, for the record?

14 THE WITNESS: M-e-i-s-e-l-s.

15 THE COURT: How do you pronounce it?

16 THE WITNESS: Meisels.

17 THE COURT: Meisels. Okay, Mr. Meisels. All
 18 right, good afternoon. Counsel, you may proceed.

19 MR. RUBIN: First I'm going to do for Taouzer
 20 and then for Siforov.

21 THE COURT: That would be fine.

22 MR. RUBIN: Also, I would just want to rest on
 23 the Certification of Michael Bernstein who was previously
 24 filed with this case just for the fact that the security
 25 deposit was never actually deposited.

	6		8
1	THE COURT: I'm sorry?	1	MR. RUBIN: Yes.
2	MR. RUBIN: Certification of Michael Bernstein	2	THE WITNESS: Yes.
3	previously filed, I wanted to submit it and have judicial	3	THE COURT: And the escrow agent would be Mr.
4	notice of it and the fact --	4	Bernstein, President of Michael Bernstein, P.A., a Florida
5	THE COURT: If you want to mark it for	5	corporation. Correct?
6	identification that would be fine.	6	MR. RUBIN: Yes.
7	DIRECT EXAMINATION BY MR. RUBIN:	7	THE COURT: Okay.
8	Q. Did you ever meet Meir Taouzer?	8	BY MR. RUBIN:
9	A. Yes.	9	Q. And do you recognize this document?
10	Q. And when did you meet him?	10	A. Yes.
11	A. In June '07.	11	Q. And what is it?
12	Q. Where did you meet him?	12	A. This was the deposit that was given by Mr. Taouzer for
13	A. At, in Lakewood in offices in cross street, 805 cross	13	the purchase of the property.
14	street of Mr. Weinstein's offices.	14	MR. RUBIN: Could we have it entered as P-2?
15	Q. What did he look like?	15	THE CLERK: P-2.
16	A. Shortish man, with jeans on, whitish hair, looked in	16	(Copy of \$2,500,000 check is marked for identification and
17	his fifties, late fifties, sixties.	17	marked Exhibit P-2.)
18	Q. And why did you meet him?	18	BY MR. RUBIN:
19	A. He proved that he was buying the property, as the	19	Q. And who gave this document to you marked as P-2?
20	buyer of the property which we're selling to him.	20	A. Mr. Weinstein.
21	Q. And who else was at the meeting?	21	Q. And did you discuss it with Mr. Taouzer?
22	A. Mr. Weinstein.	22	A. Yes.
23	Q. I'm going to show you a document. Do you	23	Q. And did he tell you it was a deposit?
24	recognize this document?	24	A. Yes.
25	A. Yes.	25	Q. Do you see the date on the check?
	7		9
1	Q. And what is it?	1	A. Yes.
2	A. This is a contract agreement between Mr. Weinstein and	2	Q. And what date would that be?
3	Mr. Taouzer, Meir Taouzer.	3	A. 13th of March '07.
4	MR. RUBIN: Your Honor --	4	Q. And when did you speak to Mr. Taouzer about
5	THE COURT: Could we mark that as P-1, please?	5	this?
6	Counsel, would you hand it to my clerk? Do you have	6	A. In around about June.
7	multiple copies? That's great. You can show the witness	7	Q. And did you speak to Michael Bernstein about
8	the marked document and provide me with a copy so I could	8	this?
9	follow along.	9	A. Yes.
10	(Sales Agreement marked for identification and marked	10	Q. Where were you?
11	Exhibit P-1.)	11	A. At the meeting.
12	BY MR. RUBIN:	12	Q. And where was Mr. Bernstein?
13	Q. And who signed the document as the buyer?	13	A. In his offices.
14	A. Mr. Taouzer.	14	Q. And did you discuss the security, the deposit
15	Q. And who signed it as seller?	15	with Mr. Bernstein?
16	A. Mr. Weinstein.	16	A. Yes.
17	Q. And who signed it as escrow agent?	17	Q. And did he say anything, did he say anything
18	A. Mr. Bernstein.	18	about the deposit, for him holding a deposit?
19	THE COURT: All right. Now, let me just make	19	A. Yes.
20	sure this is right. The managing, Mr. Weinstein signed it	20	MR. RUBIN: Your Honor, I want to introduce P-3,
21	as a managing partner for Riverside Place, Ltd. Correct?	21	a Certification of Michael Bernstein, the same letter.
22	MR. RUBIN: Yes.	22	THE WITNESS: This was in a telephone
23	THE WITNESS: Yes.	23	conversation with Mr. Bernstein.
24	THE COURT: And Mr. Taouzer signed this as the	24	THE COURT: P-3.
25	manager on behalf of KLI Investment. Correct?	25	(Certification of Michael Bernstein, dated 3/20/07 is

	10	12
1 received for identification and marked Exhibit P-3.)	1 A. No.	
2 BY MR. RUBIN:	2 Q. When did that come -- I'm sorry. Do you	
3 Q. Now, do you recognize this document?	3 recognize this?	
4 A. Yes.	4 A. Yes, I recognize it.	
5 Q. And what is it?	5 Q. And what is it?	
6 A. This was the agreement for the property that we	6 A. This was a deed what he should have paid for it.	
7 entered into in Florida, Miami Beach. Miami.	7 Q. Well, who paid for it?	
8 Q. It was to --	8 A. Mr. Weinstein paid for it. Yes.	
9 MR. RUBIN: Judge, can I mark it as P-4?	9 MR. RUBIN: I'd like to enter as P-6.	
10 THE COURT: What is that? The only thing I ask	10 THE COURT: P-6.	
11 you is to keep your voice up. You're very faint.	11 (Deed is received for identification and marked Exhibit	
12 THE WITNESS: I'm sorry.	12 P-6.)	
13 THE COURT: That's okay. P-4, what is that?	13 BY MR. RUBIN:	
14 Counsel, will you pass the report marked as P-4?	14 Q. Now, the original contract that you showed us	
15 MR. RUBIN: We sent --	15 P-1 with Weinstein was going to purchase the property for	
16 THE COURT: I'm sorry. Exhibit C is now P what?	16 25 million dollars. Was Meir Taouzer via KLI really going	
17 THE CLERK: Four.	17 to purchase the property?	
18 THE COURT: Great. Thank you.	18 A. No.	
19 (Agreement is marked for identification and marked Exhibit	19 Q. How do you know that?	
20 P-4.)	20 A. Because this was the, this was the sort of pattern	
21 BY MR. RUBIN:	21 that Mr. Weinstein, he used people that they should be in	
22 Q. And we say P-4 is?	22 front of, they should be on the face of it, that I should	
23 A. P-4 is the agreement between Mr. Weinstein and myself	23 be enticed to see that there is a buyer, a purchaser, but	
24 for the property at 230 Southwest Third Street in Miami,	24 he wasn't -- it wasn't a genuine purchase and, in fact, it	
25 the Riverside properties.	25 was -- it showed from -- if the actual found out that the	
	11	13
1 Q. And how much does it say the sales price?	1 property was only bought for three million or what we know	
2 A. 25 --	2 three million dollars, how come it's being sold at 25	
3 Q. No. The purchase price that you paid for your	3 million dollars? It sounded quite absurd.	
4 interest.		
5 A. What I put in three and a half million.	4 MR. RUBIN: Judge, we move for judgment against	
6 Q. And do you recognize this document?	5 Taouzer of the deed that we entered as P-6 in the case that	
7 A. Yes.	6 he paid 3.4 mill, Weinstein paid 3.4 million dollars for	
8 Q. And what is it?	7 the property. It's implausible that there was really a	
9 A. This was the agreement between Eli Weinstein and	8 contract to sell it for 25 million dollars. Further --	
10 myself.	9 THE COURT: I don't know that it's implausible.	
11 Q. And does it address Riverside?	10 First of all, I'm just looking at the sale purchase	
12 A. Yes.	11 agreement as between Riverside Place, Ltd. and Gayle Buying	
13 Q. Which would be the same property as in the	12 Investments.	
14 prior --		
15 A. Same property.	13 MR. RUBIN: Yes.	
16 Q. How much does it say you invest towards that	14 THE COURT: The agreement calls for jurisdiction	
17 property?	15 and venue and says any suit involving any dispute or matter	
18 A. Three and a half million dollars.	16 arising out of this agreement or relating to the	
19 MR. RUBIN: Your Honor, I would just ask that be	17 organization or operation of the company may want to be	
20 marked P-5.	18 brought in the 11th Judicial Circuit Court of Miami, Dade	
21 THE COURT: P-5.	19 County, having jurisdiction over the subject county for	
22 (Agreement is received for identification and marked P-5.)	20 dispute or matter. All parties hereto consent to	
23 BY MR. RUBIN:	21 exercising personal jurisdiction with respect to any such	
24 Q. It was -- was Meir Taouzer via KLI Investment	22 proceeding and waive any objection to venue, and at least	
25 really planning on buying the property?	23 as to this issue all the parties seem to be covered in	
	24 court that during the course of this agreement is in	
	25 Florida.	

	14		16
1	MR. RUBIN: But Plaintiff is not a party to that	1	a real contract the seller would have insisted on the
2	agreement.	2	security deposit being deposited and -- well, the deposit.
3	THE COURT: I understand that.	3	I mean there was no deposit money ever deposited. So it
4	MR. RUBIN: The agreement to sell was done to	4	was obvious it was a sham transaction, in which case his --
5	perpetuate a fraud because in a real contract, the	5	my client clearly said but per Taouzer representation that
6	seller --	6	it was a contract, he wanted to invest in three and a half
7	THE COURT: I understand. I want you to be	7	million dollars.
8	aware, I just want you to be aware of that.	8	THE COURT: But that has to come from your
9	What are you asking the Court now?	9	client, not from you.
10	MR. RUBIN: The three and a half, the three and	10	MR. RUBIN: I'm sorry. I thought he did say
11	a half million dollars that my client paid.	11	that. I was just summarizing.
12	THE COURT: Which is for in payment as evidenced	12	BY MR. RUBIN:
13	in --	13	Q. If Taouzer didn't represent that he was going to
14	MR. RUBIN: P-4, I believe.	14	buy the property, would you have invested three and a half
15	THE COURT: P-4.	15	million dollars in this transaction?
16	MR. RUBIN: As well punitive damages.	16	A. No.
17	THE WITNESS: P-5.	17	Q. So, therefore, the only reason you made this
18	THE COURT: P-4. And clearly, Mr. Weinstein is	18	investment was because Taouzer made his representation to
19	in Lakewood.	19	you?
20	MR. RUBIN: Yes.	20	A. Yes. And I also with the money that I, if I may
21	THE COURT: So you have jurisdiction. This is	21	interrupt, I borrowed money and I gave security for these,
22	the agreement. He pays three million for this property,	22	for this money in London and the properties were taken
23	and what is the --	23	away, were foreclosed, so I suffered major damages.
24	MR. RUBIN: Three and a half million.	24	THE COURT: Go ahead. You may continue.
25	THE COURT: Three and a half. And what's the	25	MR. RUBIN: I just don't know what further the
	15		17
1	suggestion?	1	Court wants.
2	MR. RUBIN: Of what, about punitive?	2	THE COURT: Well, it's up to you. If that's
3	THE COURT: No. About damages. You were --	3	your case, that's fine. What else do you want to present
4	MR. RUBIN: Three and a half million dollars,	4	to the Court?
5	three and a half million dollars is the amount my client	5	MR. RUBIN: That was on Taouzer. Siforov next.
6	paid, plus we'd like punitive damages of \$500.	6	THE COURT: That's against Meir Taouzer.
7	THE COURT: And you paid this money for	7	Correct?
8	property?	8	MR. RUBIN: Yes.
9	MR. RUBIN: Yes, but it was paid under the	9	THE COURT: Or KLI Investment?
10	assumption there was a real transaction with, where my	10	MR. RUBIN: Yes.
11	client could recover his money when the property is	11	THE COURT: Are you looking to go against Mr.
12	ultimately sold to Taouzer.	12	Meir individually or the Florida corporation?
13	THE COURT: Well, I understand that, but the	13	MR. RUBIN: Against him individually. There's
14	basis, he has to tell me the basis for this. In other	14	no limited liability for fraud, so and I don't believe KLI
15	words, I need him to tell me why he suffered three and a	15	Investment ever was really a requirement of the (inaudible)
16	half million dollars damage. What did not occur that he	16	like the agreement says.
17	thought was going to occur?	17	THE COURT: Makes it even better for the
18	THE WITNESS: First of all, I was supposed to	18	Plaintiff.
19	get seven million dollars from the three and a half and	19	MR. RUBIN: Right. And I checked online. It
20	another three and a half million dollars, which I didn't	20	wasn't there.
21	receive.	21	BY MR. RUBIN:
22	THE COURT: You didn't receive?	22	Q. Do you recognize this document?
23	THE WITNESS: No.	23	A. This?
24	THE COURT: Okay. Go ahead.	24	THE COURT: What marking is that?
25	MR. RUBIN: Well, because obviously if this was	25	MR. RUBIN: P-7.

	18		20
1	THE CLERK: P-7. It's not marked yet.	1	A. No.
2	BY MR. RUBIN:	2	Q. Was Siforov's representation true?
3	Q. Do you recognize this document?	3	A. No.
4	A. Yes.	4	Q. And how do you know that?
5	Q. What is it?	5	A. Well, as this is also one of the things which Mr.
6	A. This was agreement, operating agreement between Mr.	6	Weinstein used to use Mr. Siforov to be a face in front of
7	Weinstein and myself for the property in Wildwood.	7	a deal which never transpired.
8	MR. RUBIN: Judge, could I mark it P-7, I guess?	8	Q. And do you recognize this document?
9	(Agreement is received for identification and marked	9	A. Yes.
10	Exhibit P-7.)	10	Q. What is it?
11	BY MR. RUBIN:	11	A. This is an operating agreement on another property
12	Q. And how much does the document indicate you	12	which I entered into with Mr. Weinstein for a property in
13	invested in Wildwood?	13	New Hampshire.
14	A. Ten million dollars.	14	MR. RUBIN: Could I mark it P-9?
15	Q. In this particular paragraph --	15	(Operating agreement is received for identification and
16	A. Page, page five, paragraph 8.	16	marked Exhibit P-9.)
17	Q. Do you recognize these documents?	17	BY MR. RUBIN:
18	A. Yes.	18	Q. And how much did you invest in this property?
19	Q. And what are they?	19	A. Ten million dollars, around ten million dollars.
20	A. This is the monies were transferred to buy Cambridge	20	Q. And do you recognize this document?
21	Mercantile from my lawyers to Cambridge Mercantile and from	21	A. Yes.
22	Cambridge Mercantile to Mr. Hager's account, the	22	Q. And what are they?
23	solicitor's account, this company Cambridge Mercantile.	23	A. These are the wire confirmations from Meisels to which
24	THE COURT: That marking P-8?	24	was sent to Cambridge Mercantile and Cambridge sent it over
25	THE CLERK: P-8, yes, your Honor.	25	to Mr., Mr. Hager's account, Mallow, Konstam, Hager.
	19		21
1	(Agreement received for identification and marked Exhibit	1	MR. RUBIN: Enter it as P-10, I guess.
2	P-8.)	2	(Wire exchange is received for identification and marked
3	BY MR. RUBIN:	3	Exhibit P-10.)
4	Q. And how much do these sheets indicate you paid	4	BY MR. RUBIN:
5	for Wildwood?	5	Q. And how much did you, how much did you
6	A. Well, from these sheets it shows five, over five	6	contribute towards this property? Where was the property
7	million and another three, totaling four million, 4.3, 5.2,	7	located first?
8	5.5, 5.8, well over, over five million dollars, but there	8	A. In New Hampshire.
9	was other monies.	9	Q. And how much did you contribute to this
10	Q. Where did the other monies come from?	10	property?
11	A. From other deals.	11	A. Ten million dollars.
12	Q. Did you, did you give properties --	12	Q. Did, did Vladimir Siforov tell you he was going
13	A. Yes.	13	to buy this property as well from you and Weinstein?
14	Q. -- for Wildwood?	14	A. Yes.
15	A. Yes.	15	Q. Without that representation, would you have
16	Q. And who did you go with?	16	invested the money with Weinstein?
17	A. With Mr. Siforov and Mr. Weinstein, was driven by Mr.	17	A. No.
18	Frankel who is Mr. Weinstein's driver.	18	Q. And was the representation true?
19	Q. Did Siforov tell you he was going to purchase	19	A. No.
20	the properties?	20	Q. And how do you know that?
21	A. Yes.	21	A. As he was also on, he was used on various, to be used
22	Q. From you and Weinstein, Mr. Weinstein?	22	for that as a purchaser, that I should be enticed to buy it
23	A. Yes.	23	when I saw purchaser there, but he wasn't, he didn't have
24	Q. Yes. And without that representation, would you	24	any intention of buying it.
25	have invested in these properties?	25	Q. Did any of the transactions cited with Weinstein

	22		24
1	when he represented there was a purchaser, ever close?	1	MR. RUBIN: 20 million dollars.
2	A. No.	2	THE COURT: Off the record.
3	Q. And were there any other properties in which	3	(Off the record discussion.)
4	Siforov was also a buyer, purported buyer?	4	THE COURT: All right. So it was as against
5	A. Didn't.	5	Meir Taouzer three and a half million. As against --
6	Q. But were there any properties where he was	6	MR. RUBIN: Vladimir Siforov.
7	claiming to be a buyer?	7	THE COURT: Is 20 million?
8	A. Yes.	8	MR. RUBIN: Yes.
9	Q. Which ones?	9	THE COURT: Now, the issue then becomes
10	A. In Arizona and the one in Wildwood.	10	punitive.
11	Q. Okay. Did you ever get back any money that was	11	MR. RUBIN: Yes.
12	directly explained as being from Wildwood or as explained	12	THE COURT: I know there's an argument that
13	to these particular investments?	13	there's been a breach of the contract, clearly no doubt.
14	A. No.	14	Representations were made. He submitted his money and
15	Q. So you're basically out ten millions dollars	15	there is a damage as a result of the breach of that
16	because of that?	16	agreement. The question then becomes the evidence before
17	A. Yes.	17	the Court to suggest fraud. There's a breach. What
18	MR. RUBIN: And I have nothing further, Judge.	18	evidence do I have to, to infer punitive damages under the
19	THE COURT: So it's ten million dollars on this	19	circumstances?
20	deal and three and a half million on the other deal?	20	MR. RUBIN: Well with regard to Taouzer, it's
21	THE WITNESS: And then Wildwood as well.	21	clear the contract was fake. Because again, it's, the deed
22	THE COURT: Yes.	22	we entered into evidence shows Weinstein paid to represent
23	THE WITNESS: And then, and then three and a	23	the Riverside Place, 3.4 million dollars for the property
24	half million for the Riverside.	24	and the purported contract was for 25 million. That's
25	MR. RUBIN: Florida was, was three and a half.	25	implausible that somebody would have paid that for a
	23		25
1	It was ten each for Wildwood and, ten each for Wildwood and	1	contract. The deed itself actually doesn't state 3.4. It
2	on Jean Mescus (phonetic).	2	says \$10 and other consideration, but it could be -- that's
3	THE COURT: Thank you.	3	the way they work things in Florida. You can tell that it
4	MR. RUBIN: Thank you, Judge. Submit.	4	was 3.4 based on the amount of taxes paid of \$15,300 and
5	THE COURT: Do you have the form of Order?	5	actually cited the statute as to tax.
6	MR. RUBIN: I have --	6	And if they were, if Weinstein actually planned
7	THE COURT: You may step down, sir.	7	on selling the property to Taouzer, then he got check not
8	THE WITNESS: I should -- should I stand up?	8	certified for two and a half million dollars in March of
9	THE COURT: Well, I don't know if he's going to	9	'07. My client spoke three months later and at that point
10	have you -- you want the witness to remain on the witness	10	Weinstein, if it was a legitimate seller has told the
11	stand?	11	buyer, hey, why don't we actually give the real money. The
12	MR. RUBIN: No, no. Step down.	12	money was never cashed.
13	THE COURT: You may step down for a moment.	13	THE COURT: I don't have a problem with the
14	THE WITNESS: Thank you, your Honor.	14	damage, the compensatory damages as a result of breach of
15	THE COURT: All right. Let me hear you,	15	contract. The question is the punitive aspect. How are we
16	Counsel. As to the Judgment against Meir Taouzer, how much	16	going to -- what is the punitive nature of all this, I
17	of the damages are supported by documents in evidence?	17	guess?
18	MR. RUBIN: Three and a half million dollars,	18	MR. RUBIN: Well, punitive isn't really -- I
19	plus punitive which doesn't lend itself to mathematical	19	mean, first of all, fraud. It's not just breach of
20	calculations.	20	contract. It's fraud and clear misrepresentation. To
21	THE COURT: But three and a half million on the	21	punitive, I don't think there's a mathematical formula you
22	Taouzer matter?	22	could pick. It's how much is enough to punish somebody
23	MR. RUBIN: Yes.	23	inhibit future conduct of that kind. That's what punitive
24	THE COURT: Okay. On the matter as against	24	damage is for. So it's not like I could give mathematical
25	Vladimir Siforov?	25	like some precise calculation of punitive.

	26		28
1	THE COURT: All right. What I need though on	1	CERTIFICATION
2	the Final Judgments will be, Final Judgment will be in the	2	
3	amount of plus punitive damages. Okay. It's going to have	3	I, COLLEEN M. VAUGHN, the assigned transcriber,
4	two figures in it for a total of. Okay?	4	do hereby certify the foregoing transcript of proceedings
5	MR. RUBIN: Yes.	5	on tape number FAB 182-09, index number from 2 to 1770, is
6	THE COURT: As to the, as to Meir Taouzer, it	6	prepared in full compliance with the current Transcript
7	will be 3500 -- three and a half million dollar Judgment	7	Format for Judicial Proceedings and is a true and accurate
8	with punitive damages of, of two and a half million dollars	8	non-compressed transcript of the proceedings as recorded.
9	and the Judgment against Mr. Siforov it will be, Final	9	
10	Judgment will be for 20 million dollars plus an additional	10	
11	two and a half million dollars punitive damages.	11	COLLEEN M. VAUGHN, C.C.T. AOC Number
12	THE COURT: Okay. Submit a final Order.	12	
13	MR. RUBIN: I should -- okay. Thank you, Judge.	13	SHORE REPORTING SERVICE, P.C. 6.29.09
14	THE COURT: Thank you. Good luck.	14	Agency Name Date
15	Now, understand though that even though these	15	
16	Judgments are being submitted, there is -- it's conceivable	16	
17	that the Defendant may move to set aside these Judgments	17	
18	because they're Judgments by default. I don't know why the	18	
19	individual is not enhanced at these pleadings. They should	19	
20	have. However, the Courts in New Jersey look to try the	20	
21	issues on the merits, and if there is a legitimate reason	21	
22	for some reason they weren't done, I don't know why they	22	
23	would be, the Court has to consider that, but there's a	23	
24	certain agreement. So I have these litigants before me and	24	
25	we could test what's going on with cross examination.	25	
	27		
1	MR. RUBIN: Thank you, Judge.		
2	THE COURT: Thank you. Submit me a form of		
3	Order. Have a good day.		
4	THE WITNESS: Thank you very much.		
5	(Tape off)		
6	* * *		
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A	b	c
<p>absentee 5:1 absurd 13:3 account 18:22,23 20:25 accurate 28:7 actual 12:25 additional 26:10 address 11:11 adversary 4:18 affidavit 4:9,22 affidavits 4:8 affirm 5:4,5 AFFIRMED 5:8 afternoon 5:18 Agency 28:14 agent 7:17 8:3 agreement 3:12,16 3:17,19,20,21 7:2 7:10 10:6,19,23 11:9,22 13:11,14,16 13:24 14:2,4,22 17:16 18:6,6,9 19:1 20:11,15 24:16 26:24 ahead 15:24 16:24 ALAN 1:17 amount 15:5 25:4 26:3 anybody 4:25 AOC 28:11 argument 24:12 arising 13:16 Arizona 22:10 aside 26:17 asking 14:9 aspect 25:15 assigned 28:3 Associates 2:7 assumption 15:10 Attorney 2:7 Avenue 1:23 2:13 aware 14:8,8 a/k/a 1:17,17</p> <p>B</p> <p>B 2:1 back 22:11 based 25:4</p>	<p>basically 22:15 basis 15:14,14 Beach 10:7 behalf 5:1 7:25 believe 14:14 17:14 BENJAMIN 1:12 Bernstein 1:15,16 3:15 5:23 6:2 7:18 8:4,4 9:7,12,15,21 9:23,25 better 17:17 Bible 5:5 borrowed 16:21 bought 13:1 breach 24:13,15,17 25:14,19 brought 13:18 BROWN 1:11 BUCZYNSKI 2:2 buy 16:14 18:20 21:13,22 buyer 6:20 7:13 12:23 22:4,4,7 25:11 buying 6:19 11:25 13:11 21:24</p> <p>C</p> <p>C 2:5 10:16 calculation 25:25 calculations 23:20 calls 13:14 Cambridge 18:20,21 18:22,23 20:24,24 Carolyn 2:15 case 5:24 13:5 16:4 17:3 cashed 25:12 certain 26:24 Certification 3:14 5:23 6:2 9:21,25 28:1 certified 25:8 certify 28:4 Ch 2:2 CHANCERY 1:1 CHANIE 1:4 CHARITY 1:18 check 3:13 8:16,25 25:7</p>	<p>checked 17:19 Circuit 13:18 circumstances 24:19 cited 21:25 25:5 CITY 1:5 CIVIL 1:1 claiming 22:7 clear 24:21 25:20 clearly 14:18 16:5 24:13 clerk 7:6 8:15 10:17 18:1,25 client 14:11 15:5,11 16:5,9 25:9 close 22:1 Colleen 2:12 28:3,11 come 5:4 12:2 13:2 16:8 19:10 company 13:17 18:23 compensatory 25:14 compliance 28:6 conceivable 26:16 conduct 25:23 confirmations 20:23 consent 13:20 consider 26:23 consideration 25:2 continue 16:24 contract 7:2 12:14 13:8 14:5 16:1,6 24:13,21,24 25:1,15 25:20 contribute 21:6,9 conversation 9:23 copies 7:7 copy 3:13 7:8 8:16 corporation 8:5 17:12 Correct 7:21,25 8:5 17:7 Counsel 5:18 7:6 10:14 23:16 county 1:2,22 13:19 13:19 course 13:24 court 1:1 4:3,7,14,16 4:17,21,25-5:3,6,10 5:12,15,17,21 6:1,5 7:5,19,24 8:3,7 9:24</p> <p>D</p> <p>D 3:1 Dade 13:18 damage 15:16 24:15 25:14,24 damages 14:16 15:3 15:6 16:23 23:17 24:18 25:14 26:3,8 26:11 date 1:24 4:11 8:25 9:2 28:14 dated 9:25 Dauber 2:4 day 27:3 deal 20:7 22:20,20 deals 19:11 deed 3:18 12:6,11 13:5 24:21 25:1 default 26:18 defaulting 4:5 Defendant 26:17 defendants 1:21 4:5 5:1 deposit 5:25 8:12,23 9:14,18,18 16:2,2,3 deposited 5:25 16:2,3 DIRECT 3:4 6:7 directly 22:12 discuss 8:21 9:14</p>

<p>discussion 24:3 dispute 13:15,20 DIVISION 1:1 DOCKET 1:2 document 6:23,24 7:8,13 8:9,19 10:3 11:6 17:22 18:3,12 20:8,20 documents 18:17 23:17 dollar 26:7 dollars 11:18 12:16 13:2,3,6,8 14:11 15:4,5,16,19,20 16:7,15 18:14 19:8 20:19,19 21:11 22:15,19 23:18 24:1 24:23 25:8 26:8,10 26:11 doubt 24:13 driven 19:17 driver 19:18</p> <hr/> <p>E</p> <p>E 2:1,1,5,5 3:1 5:7,7 5:7 Eli 1:10 11:9 enhanced 26:19 enter 12:9 21:1 entered 8:14 10:7 13:5 20:12 24:22 enticed 12:23 21:22 Epstein 2:4 escrow 7:17 8:3 Esq 1:12,16 2:6 3:15 Esqs 2:4 ESTATES 1:5,6,7 Evid 3:11 evidence 23:17 24:16 24:18,22 evidenced 14:12 examination 6:7 26:25 exchange 3:22 21:2 exercising 13:21 Exhibit 7:11 8:17 10:1,16,19 12:11 18:10 19:1 20:16 21:3 EXHIBITS 3:11</p>	<p>explained 22:12,12</p> <hr/> <p>F</p> <p>FAB 28:5 face 12:22 20:6 fact 5:24 6:4 12:24 faint 10:11 fake 24:21 fifties 6:17,17 figures 26:4 filed 5:24 6:3 final 26:2,2,9,12 fine 4:16 5:21 6:6 17:3 finish 4:11 first 5:19 13:10 15:18 21:7 25:19 five 18:16 19:6,6,8 Florida 8:4 10:7 13:25 17:12 22:25 25:3 follow 7:9 follow-up 4:22 foreclosed 16:23 foregoing 28:4 form 23:5 27:2 Format 28:7 formula 25:21 forward 5:4 found 12:25 four 10:17 19:7 FRANK 2:2 Frankel 19:18 fraud 14:5 17:14 24:17 25:19,20 front 12:22 20:6 full 28:6 FUND 1:18 further 13:8 16:25 22:18 future 25:23</p> <hr/> <p>G</p> <p>Gayle 13:11 genuine 12:24 GILDA 1:6 give 19:12 25:11,24 given 8:12 go 15:24 16:24 17:11</p>	<p>19:16 going 4:7 5:19 6:23 12:15,16 15:17 16:13 19:19 21:12 23:9 25:16 26:3,25 GOLDSTEIN 1:18 good 5:18 26:14 27:3 great 7:7 10:18 Greenberg 2:4 guess 18:8 21:1 25:17</p> <hr/> <p>H</p> <p>H 5:7 Hager 1:12,13 20:25 Hager's 18:22 20:25 hair 6:16 half 11:5,18 14:10,11 14:24,25 15:4,5,16 15:19,20 16:6,14 22:20,24,25 23:18 23:21 24:5 25:8 26:7,8,11 Hampshire 20:13 21:8 hand 5:5 7:6 HDW 1:13 hear 23:15 heard 4:25 hearing 1:5 4:4,4 HEMPSTEAD 1:19 hereto 13:20 hey 25:11 holding 9:18 HON 2:2 Honor 5:9 7:4 9:20 11:19 18:25 23:14 Hooper 1:23</p> <hr/> <p>I</p> <p>Ident 3:11 identification 6:6 7:10 8:16 10:1,19 11:22 12:11 18:9 19:1 20:15 21:2 implausible 13:7,9 24:25 inaudible 17:15 index 28:5 indicate 18:12 19:4 individual 26:19</p>	<p>individually 17:12,13 infer 24:18 inhibit 25:23 insisted 16:1 intention 21:24 interest 11:4 interrupt 16:21 introduce 9:20 invest 11:16 16:6 20:18 invested 16:14 18:13 19:25 21:16 investment 7:25 11:24 16:18 17:9,15 investments 13:12 22:13 involving 13:15 ISRAEL 1:16 issue 13:23 24:9 issues 26:21</p> <hr/> <p>J</p> <p>Jan 2:6 4:2 Jean 23:2 jeans 6:16 Jersey 1:1,23 26:20 JOHN 1:19,19 JOSEPH 2:4 JR 2:2 Judge 5:2 10:9 13:4 18:8 22:18 23:4 26:13 27:1 judgment 13:4 23:16 26:2,7,9,10 Judgments 26:2,16 26:17,18 judicial 6:3 13:18 28:7 June 1:24 6:11 9:6 jurisdiction 13:14,19 13:21 14:21</p> <hr/> <p>K</p> <p>keep 10:11 kind 25:23 KLI 7:25 11:24 12:16 17:9,14 know 12:19 13:1,9 16:25 20:4 21:20 23:9 24:12 26:18,22</p>
---	--	--	--

Konstam 1:13 20:25 KROHN 1:15	meet 6:8,10,12,18 meeting 6:21 9:11 Meir 1:15 6:8 7:3 11:24 12:16 17:6,12 23:16 24:5 26:6 Meisels 1:4,4 3:5 5:11,16,17,17 20:23 Mercantile 18:21,21 18:22,23 20:24 merits 26:21 Mescus 23:2 Meyer 2:6 4:2 Miami 10:7,7,24 13:18 Michael 1:15,16 3:14 5:23 6:2 8:4 9:7,21 9:25 mill 13:6 million 11:5,18 12:16 13:1,2,3,6,8 14:11 14:22,24 15:4,5,16 15:19,20 16:7,15 18:14 19:7,7,8 20:19,19 21:11 22:19,20,24 23:18 23:21 24:1,5,7,23 24:24 25:8 26:7,8 26:10,11 millions 22:15 misrepresentation 25:20 moment 23:13 money 15:7,11 16:3 16:20,21,22 21:16 22:11 24:14 25:11 25:12 monies 18:20 19:9,10 MONROE 1:5 months 25:9 MOSHE 1:4 3:5 Moshes 5:11 move 13:4 26:17 multiple 7:7 M-e-i-s-e-l-s 5:14	NEAPOLITAN 2:4 need 15:15 26:1 never 5:25 20:7 25:12 New 1:1,18,23 20:13 21:8 26:20 NJ 2:14 non-compressed 28:8 non-military 4:10,12 notice 6:4 number 28:5,5,11 NY 1:7	partner 7:21 party 14:1 pass 10:14 pattern 12:20 payment 14:12 pays 14:22 people 12:21 perpetuate 14:5 personal 13:21 phonetic 23:2 pick 25:22 PINE 1:11,11 place 1:22 5:5 7:21 13:11 24:23 Plaintiff 3:3 4:2 14:1 17:18 Plaintiffs 1:8 2:7 PLAINTIFF'S 5:7 planned 25:6 planning 11:25 pleadings 26:19 please 5:4,12 7:5 plus 15:6 23:19 26:3 26:10 point 1:5 25:9 POLLAK 1:17,17,17 1:18 precise 25:25 PREMIER 1:7 prepared 28:6 present 17:3 President 8:4 previously 4:13 5:23 6:3 price 11:1,3 prior 11:14 problem 25:13 proceed 4:4 5:18 proceeding 13:22 proceedings 28:4,7,8 PROJECTS 1:11,12 pronounce 5:15 proof 1:5 4:9,20 properties 1:6,7 10:25 16:22 19:12 19:20,25 22:3,6 property 6:19,20 8:13 10:6,24 11:13 11:15,17,25 12:15
L L 5:7 Lakewood 6:13 14:19 late 6:17 Law 2:6 4:1 lawyers 18:21 legitimate 25:10 26:21 lend 23:19 letter 9:21 liability 17:14 limited 17:14 litigants 26:24 LLC 1:11,12,13,19 located 21:7 London 16:22 look 6:15 26:20 looked 6:16 looking 13:10 17:11 luck 26:14	M M 2:12 5:7,7 28:3,11 mail 4:17 major 16:23 Mallow 1:13 20:25 man 6:16 MANAGEMENT 1:12 manager 7:25 managing 7:20,21 March 9:3 25:8 mark 6:5 7:5 10:9 18:8 20:14 marked 7:8,10,10 8:16,17,19 10:1,14 10:19,19 11:20,22 12:11 18:1,9 19:1 20:16 21:2 marking 17:24 18:24 MATCH 1:4 mathematical 23:19 25:21,24 matter 13:15,20 23:22,24 mean 16:3 25:19	O O 2:1 5:7 objection 13:22 obvious 16:4 obviously 15:25 occur 15:16,17 Ocean 1:2,22 Office 4:1 offices 2:6 6:13,14 9:13 okay 4:23,24 5:3,17 8:7 10:13 15:24 22:11 23:24 26:3,4 26:12,13 ones 22:9 online 17:19 operating 3:21 18:6 20:11,15 operation 13:17 Operator 2:15 Order 23:5 26:12 27:3 ORDERED 2:3 organization 13:17 original 12:14	P P 2:5,5 10:16 page 18:16,16 paid 11:3 12:6,7,8 13:6,6 14:11 15:6,7 15:9 19:4 24:22,25 25:4 paragraph 18:15,16 PART 1:1 particular 18:15 22:13 parties 13:20,23
N N 2:5 3:1 name 3:4 5:10,13 28:14 nature 25:16			

12:17 13:1,7 14:22 15:8,11 16:14 18:7 20:11,12,18 21:6,6 21:10,13 24:23 25:7 proved 6:19 provide 7:8 punish 25:22 punitive 14:16 15:2,6 23:19 24:10,18 25:15,16,18,21,23 25:25 26:3,8,11 purchase 8:13 11:3 12:15,17,24 13:10 19:19 purchaser 12:23 21:22,23 22:1 purported 22:4 24:24 put 11:5 P-1 3:12 7:5,11 12:15 P-10 3:22 21:1,3 P-2 3:13 8:14,15,17 8:19 P-3 3:14 9:20,24 10:1 P-4 3:16 10:9,13,14 10:20,22,23 14:14 14:15,18 P-5 3:17 11:20,21,22 14:17 P-6 3:18 12:9,10,12 13:5 P-7 3:19 17:25 18:1,8 18:10 P-8 3:20 18:24,25 19:2 P-9 3:21 20:14,16 P.A 1:16 8:4 P.C 1:13 2:7,13 28:13 P.J 2:2	reason 16:17 26:21 26:22 receive 15:21,22 received 10:1 11:22 12:11 18:9 19:1 20:15 21:2 recognize 6:24 8:9 10:3 11:6 12:3,4 17:22 18:3,17 20:8 20:20 record 5:13 24:2,3 recorded 28:8 Recording 2:15 recover 15:11 regard 24:20 relating 13:16 remain 23:10 report 10:14 REPORTING 2:13 28:13 represent 16:13 24:22 representation 16:5 16:18 19:24 20:2 21:15,18 Representations 24:14 represented 22:1 requirement 17:15 respect 13:21 rest 5:22 result 24:15 25:14 right 1:4 4:3,7,14 5:3 5:18 7:19,20 17:19 23:15 24:4 26:1 River 1:23 2:14 Riverside 7:21 10:25 11:11 13:11 22:24 24:23 Rubin 2:6 4:1,1,3,6 4:12,15,19,24 5:2 5:19,22 6:2,7 7:4,12 7:22 8:1,6,8,14,18 9:20 10:2,9,15,21 11:19,23 12:9,13 13:4,13 14:1,4,10 14:14,16,20,24-15:2 15:4,9,25 16:10,12 16:25 17:5,8,10,13	17:19,21,25 18:2,8 18:11 19:3 20:14,17 21:1,4 22:18,25 23:4,6,12,18,23 24:1,6,8,11,20 25:18 26:5,13 27:1 RULING 3:8	solicitor's 18:23 Solomon 2:6 4:1 somebody 24:25 25:22 sorry 6:1 10:12,16 12:2 16:10 sort 12:20 sounded 13:3 Southwest 10:24 speak 9:4,7 spell 5:12 spoke 25:9 stand 23:8,11 state 25:1 statute 25:5 step 23:7,12,13 street 6:13,14 10:24 subject 13:19 submit 4:10,21 6:3 23:4 26:12 27:2 submitted 4:13 24:14 26:16 suffered 15:15 16:23 suggest 24:17 suggestion 15:1 suit 13:15 summarizing 16:11 SUPERIOR 1:1 supported 23:17 supposed 15:18 sure 7:20
Q			
question 24:16 25:15 quite 13:3	Rubin 2:6 4:1,1,3,6 4:12,15,19,24 5:2 5:19,22 6:2,7 7:4,12 7:22 8:1,6,8,14,18 9:20 10:2,9,15,21 11:19,23 12:9,13 13:4,13 14:1,4,10 14:14,16,20,24-15:2 15:4,9,25 16:10,12 16:25 17:5,8,10,13	SHORE 2:13 28:13 Shortish 6:16 show 6:23 7:7 showed 12:14,25 shows 19:6 24:22 SIF 1:14 Siforov 1:14 5:20 17:5 19:17,19 20:6 21:12 22:4 23:25 24:6 26:9 Siforov's 20:2 signed 7:13,15,17,20 7:24 SIMCHA 1:10 SIMON 1:6 sir 5:10 23:7 sixties 6:17 sold 13:2 15:12	T take 4:7,22,23 taken 16:22 Taouzer 1:15 5:19 6:8 7:3,3,14,24 8:12 8:21 9:4 11:24 12:16 13:5 15:12 16:5,13,18 17:5,6 23:16,22 24:5,20 25:7 26:6 tape 27:5 28:5 tax 25:5 taxes 25:4 telephone 9:22 tell 5:6 8:23 15:14,15 19:19 21:12 25:3 ten 18:14 20:19,19 21:11 22:15,19 23:1
R			
R 2:1,5 ready 4:3 real 14:5 15:10 16:1 25:11 really 11:25 12:16 13:7 17:15 25:18			

<p>23:1 TERRACE 1:19 test 26:25 testimony 4:8,11,23 Thank 10:18 23:3,4 23:14 26:13,14 27:1 27:2,4 thing 10:10 things 20:5 25:3 think 25:21 Third 10:24 thought 15:17 16:10 three 11:5,18 13:1,2 14:10,10,22,24,25 15:4,5,15,19,20 16:6,14 19:7 22:20 22:23,25 23:18,21 24:5 25:9 26:7 Tobago 2:13 today 4:9,11 told 25:10 Toms 1:23 2:14 total 26:4 totaling 19:7 TOV 1:6 transaction 15:10 16:4,15 transactions 21:25 transcriber 2:12 28:3 transcript 1:4 2:3 28:4,6,8 transferred 18:20 transpired 20:7 TRANSPORTATI... 1:14 true 20:2 21:18 28:7 truth 5:6 try 26:20 Tucker 2:4 Tweed 2:15 two 25:8 26:4,8,11 </p> <hr/> <p>U</p> <p>ultimately 15:12 understand 14:3,7 15:13 26:15 unfortunately 4:19 use 20:6</p> <hr/> <p>V</p>	<p>various 21:21 Vaughn 2:12 28:3,11 venue 13:15,22 Vladimir 1:14 21:12 23:25 24:6 voice 10:11 vs 1:9</p> <hr/> <p>W</p> <p>waive 13:22 want 5:22 6:5 9:20 13:17 14:7,8 17:3 23:10 wanted 6:3 16:6 wants 17:1 wasn't 12:24,24 17:20 21:23 way 25:3 Weinstein 1:10 6:22 7:2,16,20 8:20 10:23 11:9 12:8,15 12:21 13:6 14:18 18:7 19:17,22,22 20:6,12 21:13,16,25 24:22 25:6,10 Weinstein's 6:14 19:18 weren't 26:22 we're 6:20 whitish 6:16 Wildwood 18:7,13 19:5,14 22:10,12,21 23:1,1 wire 3:22 20:23 21:2 witness 3:3 4:23 5:7,9 5:11,14,16 7:7,23 8:2 9:22 10:12 14:17 15:18,23 22:21,23 23:8,10,10 23:14 27:4 words 15:15 work 25:3</p> <hr/> <p>U</p> <p>ultimately 15:12 understand 14:3,7 15:13 26:15 unfortunately 4:19 use 20:6</p> <hr/> <p>V</p>	<p>\$ \$10 25:2 \$15,300 25:4 \$2,500,000 8:16 \$500 15:6</p> <hr/> <p>0 07 6:11 9:3 25:9 08753 1:23 2:14</p> <hr/> <p>1 1-10 1:19 10 3:16 11 3:17 11th 13:18 11-20 1:20 12 3:18 120 1:23 13th 9:3 1770 28:5 18 3:19 182-09 28:5 19 1:24 3:20</p> <hr/> <p>2 2 28:5 20 3:21 24:1,7 26:10 2005 1:13 2009 1:24 21 3:22 230 10:24 25 11:2 12:16 13:2,8 24:24 26 3:8 29 2:13</p> <hr/> <p>3 3.4 13:6,6 24:23 25:1 25:4 3/20/07 9:25 3500 26:7</p> <hr/> <p>4 4.3 19:7</p> <hr/> <p>5 5.2 19:7 5.5 19:8 5.8 19:8</p>	<p>6 6 3:5 6.29.09 28:13</p> <hr/> <p>7 7 3:12</p> <hr/> <p>8 8 3:13 18:16 805 6:13</p> <hr/> <p>9 9 3:15</p>
---	---	---	---